

**ADMINISTRATIVE SERVICES DEPARTMENT[11]**

**Notice of Intended Action**

**Proposing rule making related to targeted small businesses and providing an opportunity for public comment**

The Department of Administrative Services hereby proposes to amend Chapter 117, “Procurement of Goods and Services of General Use,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code sections 8A.104, 17A.3 and 17A.4.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 8A.111 and 2017 Iowa Acts, chapter 160 (House File 621).

*Purpose and Summary*

This proposed rule making implements changes made to Iowa Code section 8A.111(7) by 2017 Iowa Acts, chapter 160 (House File 621), which transfers responsibility for the certification of targeted small businesses from the Department of Inspections and Appeals to the Iowa Economic Development Authority. The Iowa Economic Development Authority’s administrative rules related to the certification of targeted small businesses became effective February 21, 2018. The Iowa Department of Inspections and Appeals’ rule making that rescinded rules related to the certification of targeted small businesses became effective May 30, 2018. These proposed amendments update references to certification of targeted small businesses to comport with 2017 Iowa Acts, chapter 160 (House File 621).

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

The Department will not grant waivers under the provisions of these rules, other than as may be allowed under Chapter 9 of the Department’s rules concerning waivers.

*Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on September 18, 2018. Comments should be directed to:

Tami Wiencek  
Department of Administrative Services  
Hoover State Office Building  
1305 East Walnut Street  
Des Moines, Iowa 50319-0114  
Phone: 515.725.2017  
Fax: 515.281.6140  
Email: [tami.wiencek@iowa.gov](mailto:tami.wiencek@iowa.gov)

### *Public Hearing*

A public hearing at which persons may present their views orally or in writing will be held as follows:

September 18, 2018	Conference Room 4, A Level
10 to 11 a.m.	Hoover State Office Building
	1305 East Walnut Street
	Des Moines, Iowa

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend rule **11—117.2(8A)**, definition of “Targeted small business (TSB),” as follows:  
“*Targeted small business (TSB)*” means a targeted small business as defined in Iowa Code section 15.102 that is certified by the ~~department of inspections and appeals~~ economic development authority pursuant to Iowa Code section ~~40A.104~~ 15.108 and as authorized by Iowa Code chapter 73.

ITEM 2. Amend subrule 117.5(2) as follows:

**117.5(2) Targeted small business (TSB) procurement.**

a. *Justification for TSB procurement.* Agencies may purchase from a TSB without competition for a purchase up to \$10,000.

b. *Special procedures for TSB procurements.* Agencies must confirm that the vendor is certified as a TSB by the ~~department of inspections and appeals~~ economic development authority. An agency may contact the TSB directly.